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Congress of the United States

House of Representatives

Washington, **DC** 20515-2703

June 22, 2006

The Honorable Deborah Platt Majoras Chairman Federal Trade Commission 600 Pennsylvania Avenue, NW Washington, DC 20580

JUL 1 0 2006 SECRETARY

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AL TRADE COMMISSION

Dear Chairman Majoras:

I am enclosing for your review correspondence from one of my constituents, Mr. Russ Saunders. Mr. Saunders has a concern about the proposed Business Opportunity Rule. I would appreciate your attention to this situation. Please direct any future correspondence to Mr. Saunders and to Sara Ridpath of my staff at 507 Cannon House Office Building, Washington, DC, 20515.

Thank you for your attention to this matter.

Best Wishes, TOM OSBORNE Member of Congress

Ridpath, Sara

From:

writerep

Sent:

Monday, June 19, 2006 4:06 PM

To:

NE03WYR

Subject:

WriteRep Responses

<WRP>

<DTTM>June 19, 2006 3:45 PM</DTTM>

<PREFIX>Mr.</PREFIX>

<FIRST>Russ</FIRST>

<LAST>Saunders</LAST>

<ADDR1> */ADDR1>

<ADDR2></ADDR2>

<CITY>NAME OF A CITY>

<STATE>

<ZIP>

<PHONE>

<MSG>

I am concerned about the bill the is currently being "pushed" by the FTC that will inhibit our freedoms as a free enterprise in direct selling.

The FTC has published a booklet titled "Notice of Proposed Rulemaking" in the Federal Register. They call it "The Business Opportunity Rule". It looks to me like it is designed to cool the interest of any new prospect that is thinking about a multilevel business opportunity. It will practically kill the direct selling industry as we know it. It will bury us with way too much paperwork and hurt those who make a living as a direct selling distributor.

For about 25 years the FTC's Franchise Rule covered only those opportunities that required a buyer to make a payment of at least \$500 within the first six months of operation. The April 12, 2006 proposed Rule completely eliminates this \$500 exemption!!

In 1979, to justify the reasonable \$500 exemption, the FTC wisely said: "When the required investment to purchase a business opportunity is comparatively small, porspective purchasers face a relatively small financial risk.

As an MLMer this ruling would in effect stifle the business we now have and have worked so hard to grow and maintain.

Respectfully, Russ Saunders </MSG> </WRP>